

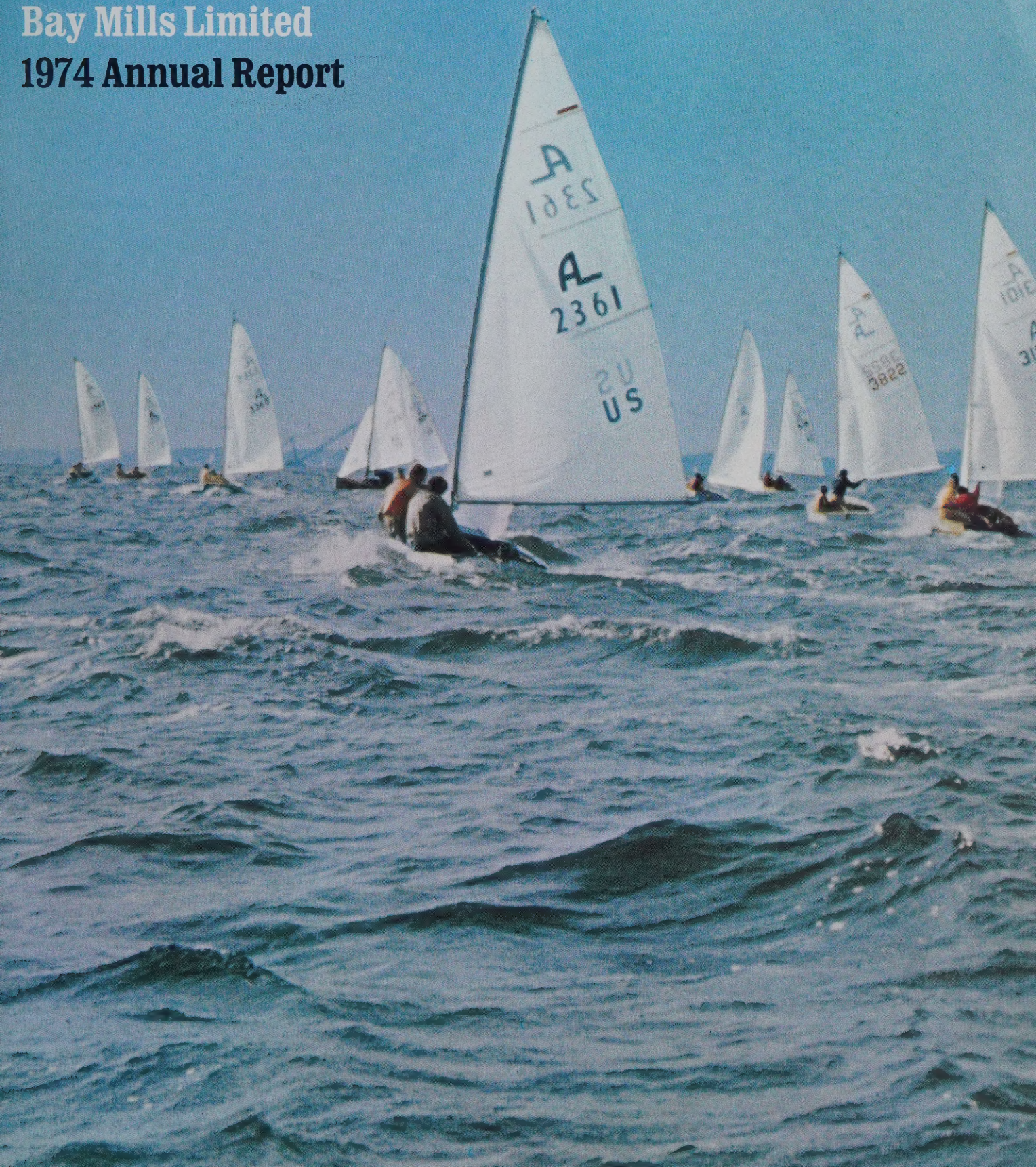
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GROWTH IS ...

**new products, new services, new processes, new facilities
increasing sales and earnings**

Bay Mills Limited

1974 Annual Report





The current interest in sailing and resulting purchases of sailboats have had considerable influence on growth at Bay Mills, particularly in products such as polyester resin, gel-coat, woven roving, mat, and balsa. Shown are a number of Albacore sailboats, a very popular class of boat which is being raced actively in Canada, the United States and the United Kingdom, and which use our products.

Financial highlights

Bay Mills Limited and wholly owned subsidiaries

	1974	1973
Sales	\$22,245,766	\$14,653,000
Net Income	1,445,045	526,000
Earnings per share after non-operating items	3.80	1.53
Shareholders' equity	3,906,000	2,606,000
% return on shareholders' equity at beginning of year before non-recurring items	55%	27%

To our shareholders

Earnings for the year ended July 31, 1974 were \$1,445,045 compared with \$526,643 for the previous year. Earnings after the regular and participating dividend on preferred shares were \$3.80 per common share compared with \$1.53. Working capital at July 31st was \$2,522,556 compared with \$1,383,609 the previous year.

The above earnings include a non-operating profit of \$98,544 which resulted largely from selling our old St. Catharines and Winnipeg buildings.

A participating dividend of \$0.97 will be paid on December 15, 1974 on the preferred shares Series 'A' outstanding as of December 1, 1974.

In April, Mr. S. J. Nicholls was

appointed General Manager of the Midland Division, after many years as its Sales Manager. The Midland Division's decorative fabric business was one factor responsible for the Division's up and down performance for the last few years. The decorative business was sold in July 1973. The forecast made in last year's report that the divestiture would prove beneficial was correct.

In June, the Crenette Division received approval from the Department of Industry, Trade & Commerce on a PAIT (Program for Advancement of Industrial Technology) application covering a major shared-cost research project. The results from this project are expected to have a significant impact on the technology used in the Crenette process, and on the profitability of the Division.

About six months ago several decisions were made at Mia Chemical that structured its organization for future growth. Several key personnel appointments have put this business into a position where additional branches and product lines can be smoothly integrated into the company.

During the year we negotiated the purchase of House of Sturgeon (National) Limited and this purchase was completed on August 2, 1974. Sturgeon is a major supplier of chemicals to the Crenette Division and in addition, manufactures the best quality wood stain available on the market under the trade name SOLIGNUM* and manufactures a line of protective finishes for aluminum and galvanized steel under the name WEATHERCOTE T*. This operation is expected to have a positive effect on earnings in the current fiscal year.

In common with other manufacturers, our business was adversely affected by shortages of chemicals and textile fibres. These shortages and higher material costs prevented the development and introduction of new product lines which had



S.F.Cerny, President, centre, with other officers of the company. From the left, clockwise, S.R.Scotchmer, Vice-President and General Manager Crenette Division, R.E. Deane, Vice-President, Finance, S.J.Nicholls, General Manager of Midland Division, and H.C.Smith, Vice-President, and President of Mia Chemical Limited.

previously been planned. Our domestic suppliers, for the most part, treated us fairly and allocated a proportional amount of material to us based on past purchases. We supplemented domestic supplies by imports.

Our business is growing quickly. To sustain this rate of growth on our present equity base, we were helped by several decisions that had been made by the Federal government. The lower tax rate for manufacturers and accelerated depreciation allowances helped finance capital expenditures. The IRDIA program of the Department of Industry, Trade & Commerce (Industrial Research and Development Incentives Act) helped share our research and development costs.

With economic forecasters unable to agree on whether we will have a recession, a depression, inflation, hyper-inflation or deflation, we have made plans to position ourselves in such a way as to minimize the negative effects of a downturn in business activity.

About 60% of the cash generated during the year has been retained as working capital and all major capital expenditures have been financed on a long term basis. We intend to continue to build working capital.

Generally, our various businesses are well positioned to compete in an inflationary but recession-type economy:

»Almost all our activities are in growth industries.

»We expect to develop new products to replace sales volume lost in the event of an economic slow down.

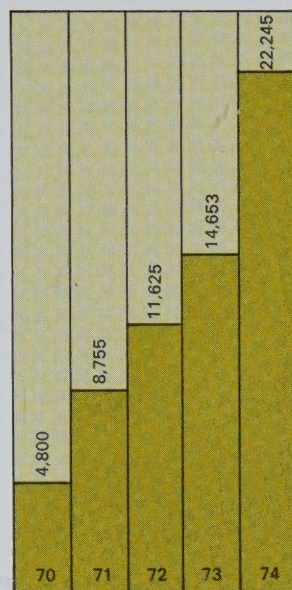
»The prices of raw materials with which we compete are escalating faster than the major raw materials we use.

For these reasons we feel that the outlook for the coming year is good.

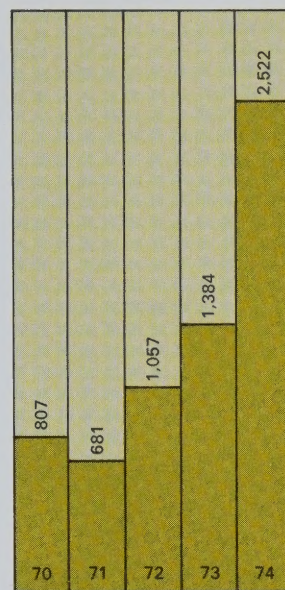
Respectfully submitted on behalf of the Board of Directors

Steven Cermy

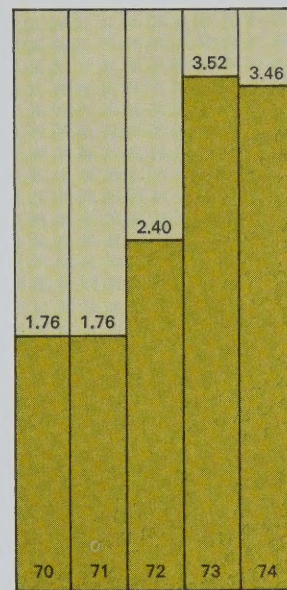
Sales (\$000's)



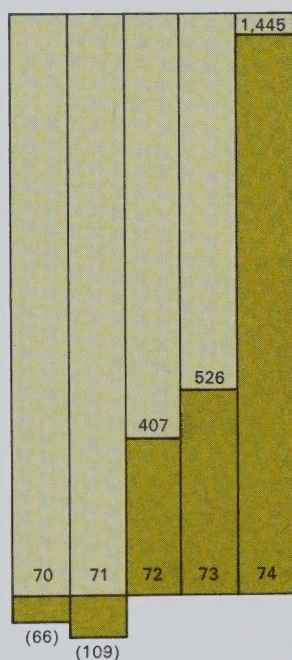
Working capital (\$000's)



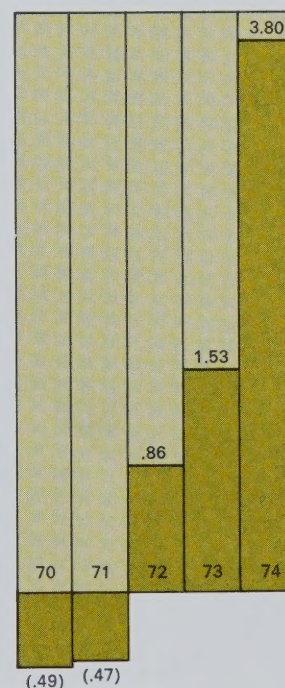
Shareholders' equity to term debt (\$)



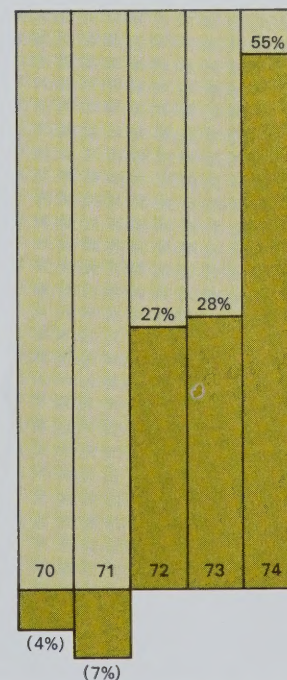
Earnings (\$000's)

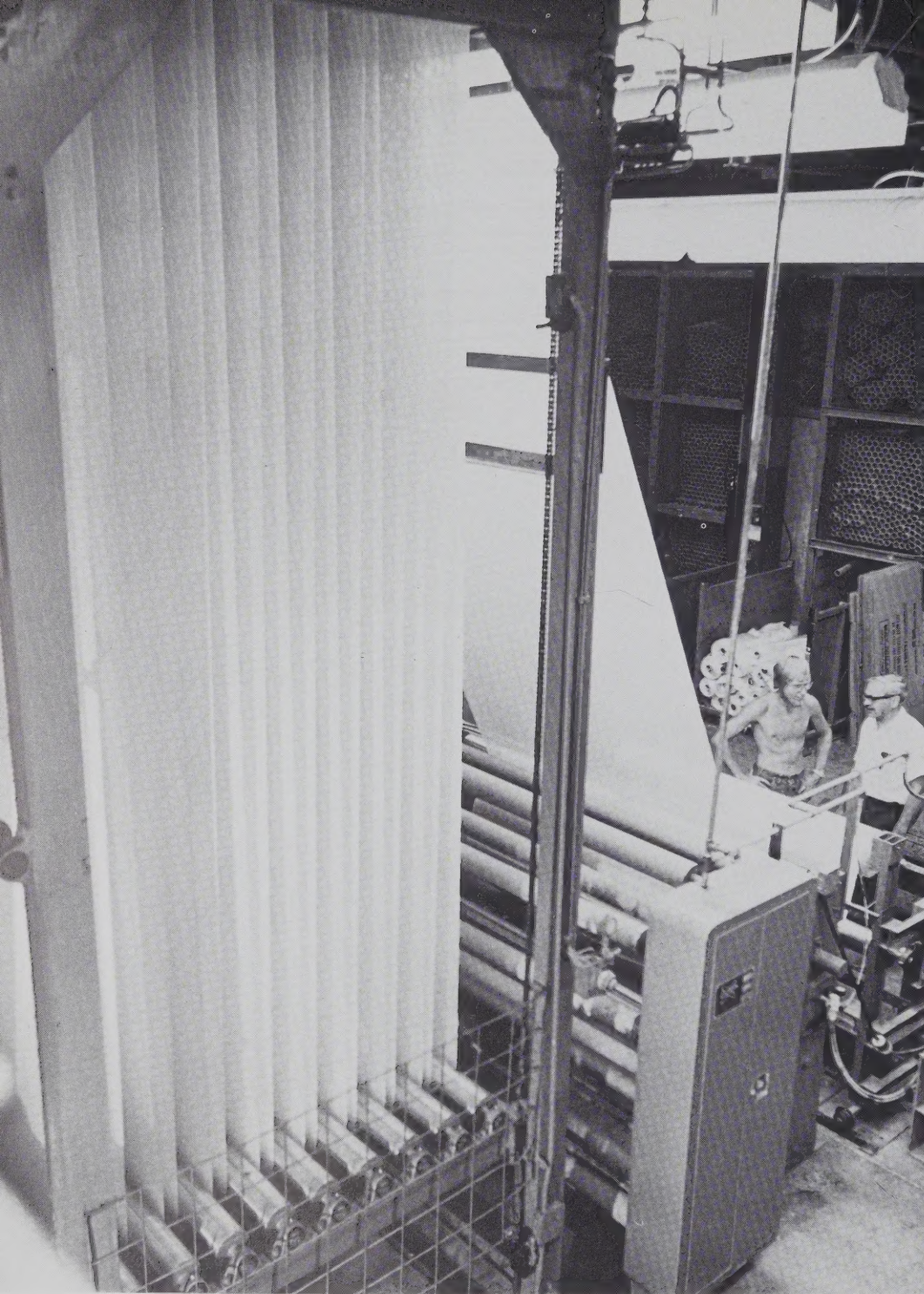


Earnings per common share (\$)



Return (Loss) in shareholders' equity at beginning of year





Left : This finishing range at Midland Division is processing reinforcing fabric for Boeing of Canada Ltd., under the watchful eyes of Sjoerd Mendel and Rudy Handerek.

Top : All cloth is checked and graded at inspection tables. Shown at work are Sylvia McIntaggart and George Stanich.

Centre : The Midland quality control laboratory tests incoming raw materials and finished fabrics to ensure that they meet quality standards. From the left are Marnie Moffatt, Tom Jenkinson and Jim Comber.

Bottom : Arden Boden, a long-service warehouseman, is shown preparing a shipment for export. Midland Division maintains large stocks to service both domestic and export markets.

Midland division



A Midland executive group meeting chaired by S.J. Nicholls, General Manager, second from the left. Also shown are M.W. Stedman, Sales Manager, F.G. Spence, Controller, and F.J. Kurschner, Plant Manager.

The Midland Division uses specialized textile technology to manufacture fabrics for a variety of industrial markets.

Sales to some segments of the reinforced plastic market grew despite shortages of the petrochemicals used to make polyester resins. Customers who make power and sail boats achieved growth due to better utilization of materials.

The market for PERMASCREEN* glass fibre insect screening improved. This product is finding greater acceptance by window manufacturers and is expected to take an increasingly larger share of the total screening market at the expense of aluminum screening.

Commercial quantities of industrial synthetic nylon fabrics are now being produced for reinforcement of vinyl film and as a replacement for leather and canvas in the sporting goods industry.

The highlights of our 1974 fiscal year were :

»Coated yarns for the paper machine dryer felt, and rubber industries were developed and significant future sales are expected.

»A major re-equipment program to replace conventional looms with shuttleless weaving machines is underway.

»Export sales increased because of currency realignments and distribution channels were strengthened in Europe and elsewhere.

Crenette division

The Crenette Division manufactures plastic coated reinforcing fibre meshes for a number of industrial markets. Major product lines include meshes for automobile seats, carpet underlay backing and for reinforcement of paper and plastic films. These are marketed under trade marks, CRENETTE* and BAMILEX*, registered in Canada and U.S.A. and STABILON* registered in Canada only.

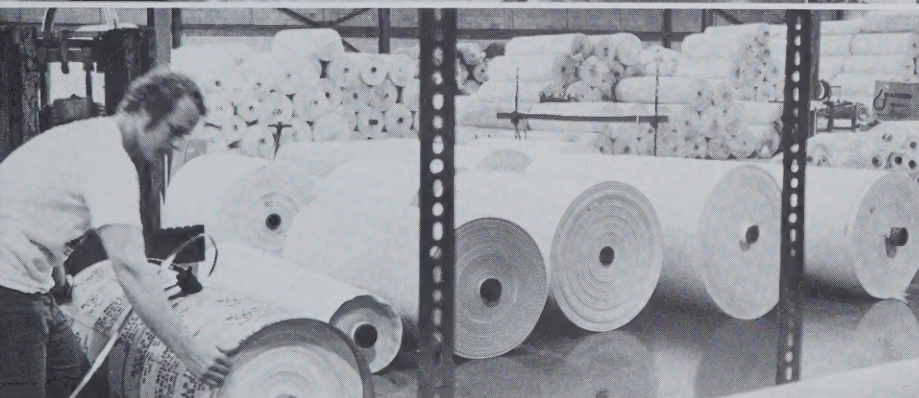
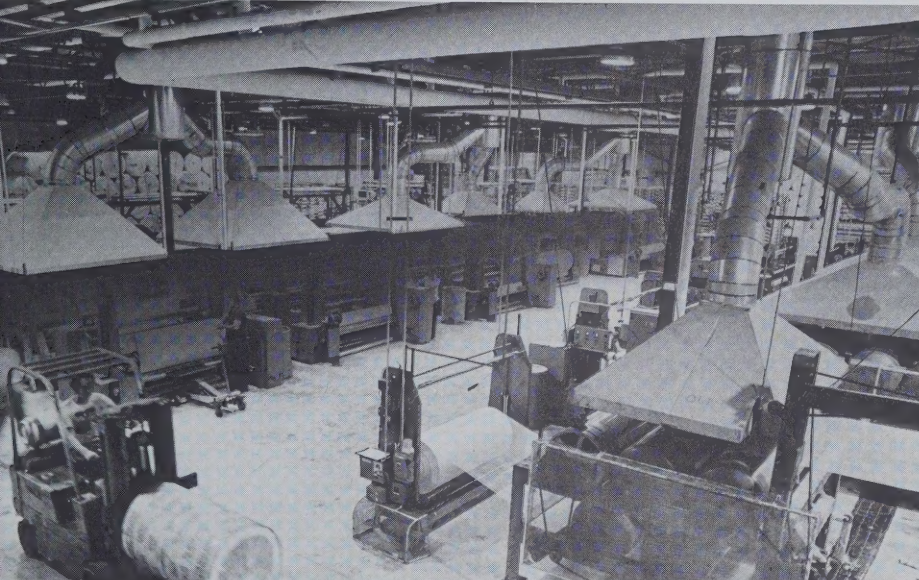
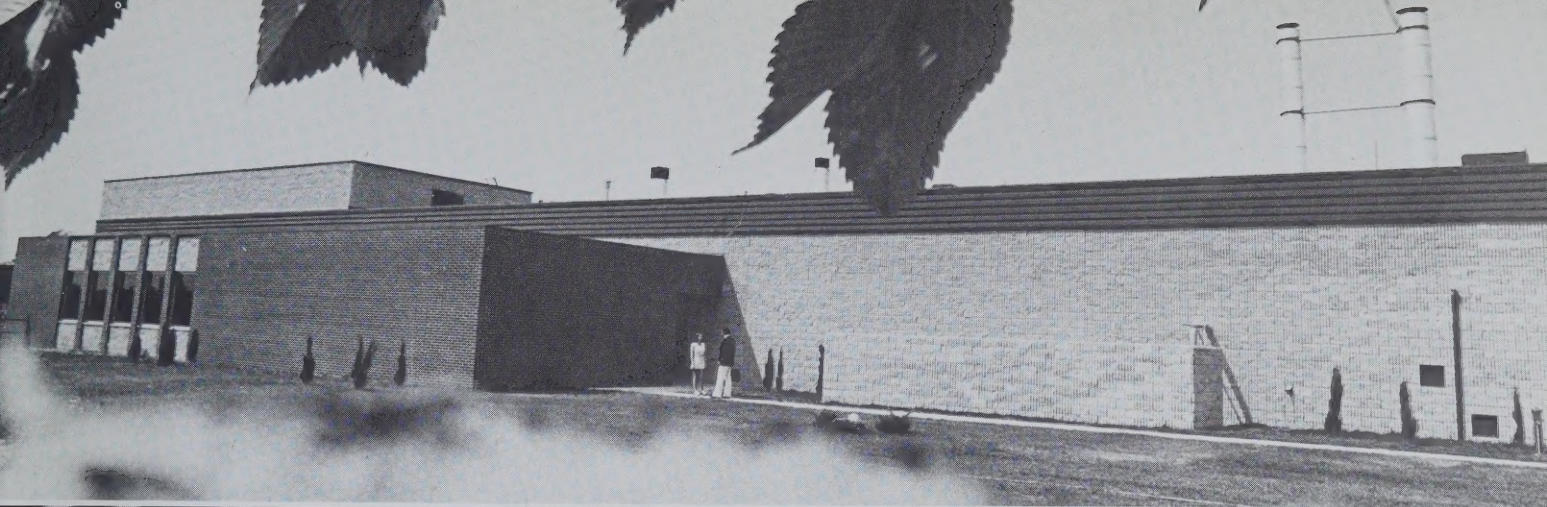
During the first four years of its existence, the Crenette Division has grown from a concept to a very profitable business. A firm base has been established in the Canadian operation. Sales have been initiated in the United States to satisfy the demand for the products which have proven successful in the Canadian market.

The highlights of our 1974 fiscal year were :

- »The construction of a new plant in St. Catharines. This plant is now fully operational and will be at capacity by November.
- »Development and implementation of a method to significantly increase machine productivity.
- »Development and introduction of a new material to reinforce disposable hospital fabrics.
- »Completion of plans for a 45,000 square-foot plant to be constructed in northern New York state in the 1974/75 fiscal year.
- »Completion of plans for a Research and Development Centre to be adjacent to the St. Catharines plant. This facility will be devoted to developing new products, methods and applications and will be supported by an approved PAIT grant.



The Crenette Division's management group, under the leadership of General Manager S.R. Scotchmer (second from the right), is shown in an informal discussion. From the left are : M.A.Cherry, Sales Manager, J.G.Payne, Plant Manager, and I.G.Cooper, Product Development Manager.

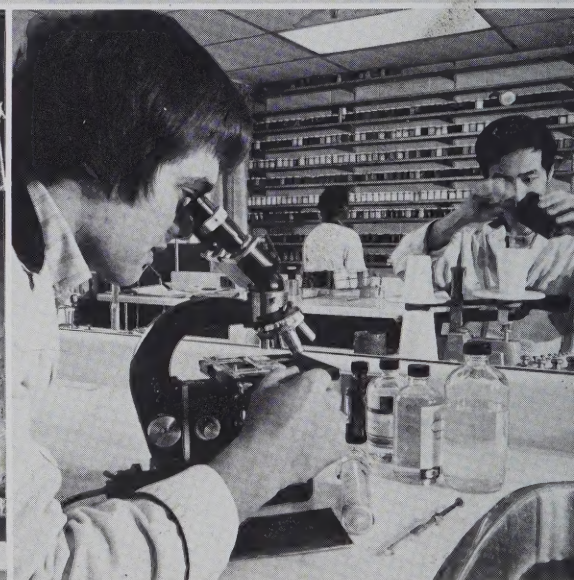
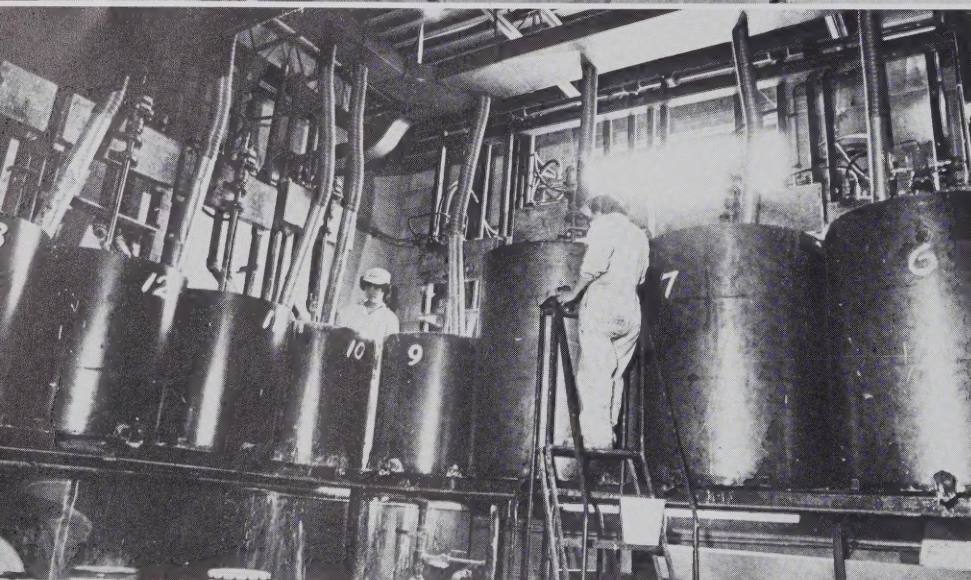
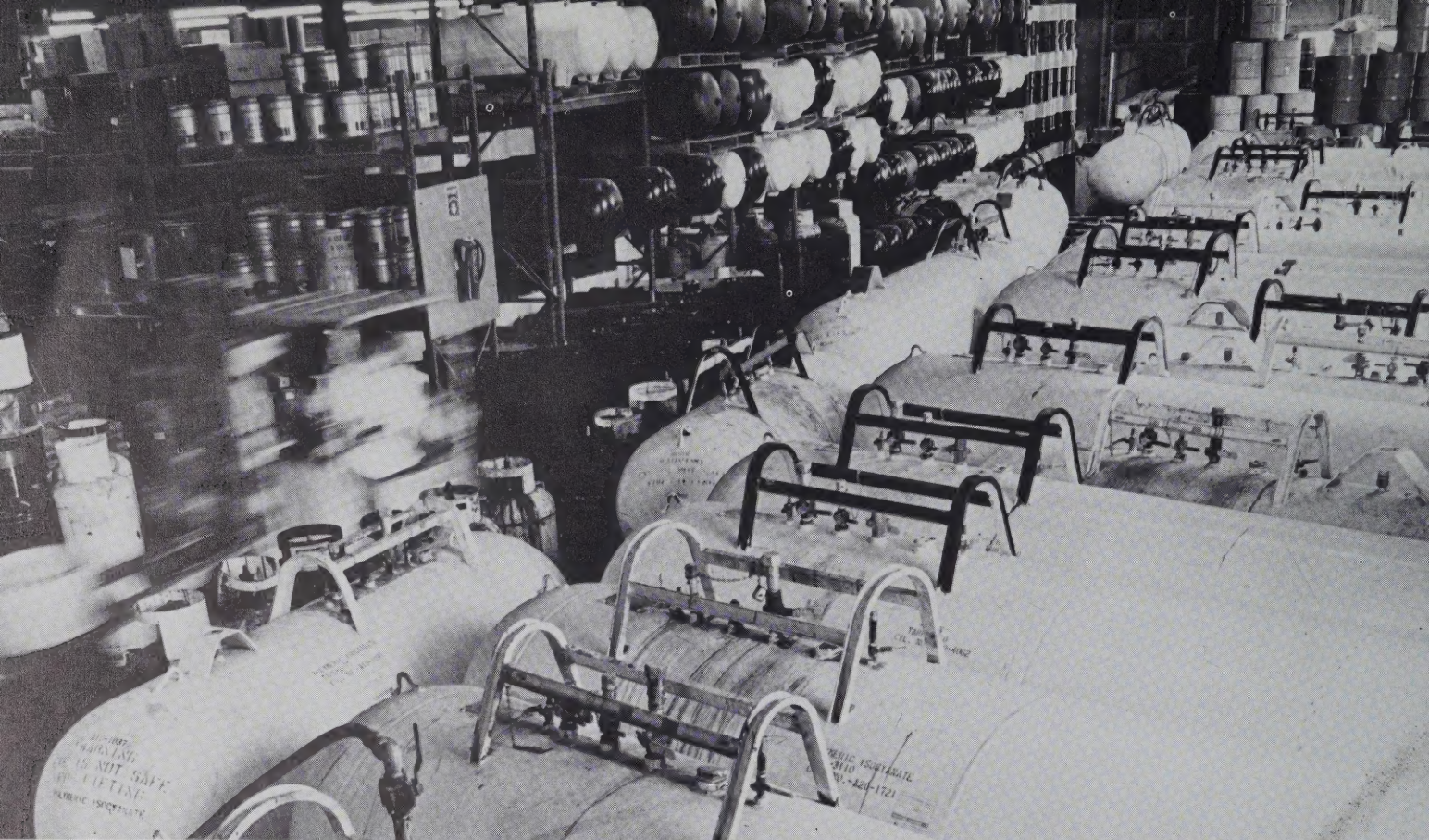


Top : Crenette's new 50,000-square-foot manufacturing plant in St. Catharines, Ontario, started on schedule in July, 1974, and has a capacity double of the previous facility.

Centre left : An interior view of the St. Catharines plant, showing the new Crenette machines which were installed.

Bottom left : Warren Kirkby is shown preparing rolls of carpet underlay backing for shipment.

Right : The new laboratory facilities in the St. Catharines plant are shared by the Development Group headed by Ian Cooper, left, and Joan Campbell of Quality Control.



Top : These tanks at Mia Chemical Limited contain polyurethane for floatation and insulation material used by the marine, trailer and building construction industries.

Left : Mia Chemical is the largest producer in Canada of polyester gelcoat, one of the products used by Mia customers in the production of yachts, truck cabs, motor home bodies, and aircraft interior furnishings, etc.

Right : Ron Fisk and Larry Ming, Chemists in the quality control laboratory, check the porosity of gelcoat test panels. Mia Chemical is in the process of setting up a research and development laboratory that will be operating in 1975.



Meeting at Mia Chemical Limited are H.C. Smith, President, second from the left, and, clockwise, Erwin Zecha, Technical Director, F.J. Gilfillan, Manager, Branch Operations, and J.W. Gayton, Controller.

Mia Chemical

Mia Chemical distributes and manufactures products for the reinforced plastic industry and the polyurethane industry.

Severe shortages of chemicals curtailed certain areas of growth that had been anticipated. These shortages were overcome largely by obtaining supplies from world markets and customer requirements were satisfied at all times.

Sales increased and this growth took place largely in the newly formed Polyurethane Product Group. Polyurethanes are either rigid or flexible foams supplied as two separate liquid components, mixed by the end user and either frothed, poured or sprayed. Typical uses are marine flotation, insulation for mobile homes, doors, and commercial refrigeration equipment and appliances.

The highlights of our 1974 fiscal year were :

- »Opening of a separate sales branch for Ontario.
- »Construction of a new facility in Winnipeg.
- »Establishment of the Polyurethane Product Group Division to serve a market growing at 25% per year.

Consolidated balance sheet

Bay Mills Limited and wholly owned subsidiaries

July 31	1974	1973
Assets		
Current assets :		
Cash on hand and on deposit	\$ 2,000	\$ 4,895
Marketable securities, at cost	2,605	2,605
Accounts receivable, trade, less allowance for doubtful accounts	4,325,730	2,792,614
Inventories, at the lower of cost and replacement value	4,593,552	2,606,893
Other accounts receivable	174,686	305,195
Prepaid expenses	176,004	73,407
Note receivable, current portion	15,000	20,000
Total current assets	9,289,577	5,805,609
Fixed assets (at cost) :		
Buildings	1,392,093	1,517,185
Machinery and equipment	4,034,880	3,083,455
Furniture and fixtures	146,578	123,439
Leasehold improvements	102,230	83,670
	5,675,781	4,807,749
Less accumulated depreciation and amortization	2,893,817	2,594,033
	2,781,964	2,213,716
Land	14,109	31,960
Deposits and construction in progress (Note 8)	205,625	56,192
Total fixed assets — net	3,001,698	2,301,868
Other assets :		
Note receivable, less current portion	—	15,000
Deposits and other	41,645	16,825
Cash surrender value of life insurance	10,469	8,625
Total other assets	52,114	40,450
Intangible assets purchased, at cost less adjustment to book value (Note 10)	270,000	300,000
	<u>\$12,613,389</u>	<u>\$ 8,447,927</u>

Approved on behalf of the board :

Steven Cerny, director Derek H. Mather, director

July 31	1974	1973
Liabilities		
Current liabilities :		
Due to bank, secured (Note 5)	\$ 2,146,854	\$ 1,587,000
Accounts payable and accrued liabilities	3,855,822	2,439,902
Current portion of term debt and other liability	210,000	115,000
Notes payable	—	175,000
Taxes on income, estimated	554,345	105,098
Total current liabilities	<u>6,767,021</u>	<u>4,422,000</u>
Term debt (Note 4) :		
Funded debt	575,000	770,000
Long-term financing of equipment (Note 5)	555,000	—
Total term debt	<u>1,130,000</u>	<u>770,000</u>
Other liability :		
Consideration for intangible assets, less current portion	180,000	240,000
Deferred tax credit (Note 6)	630,000	409,500
Shareholders' equity		
Capital stock :		
Authorized (Note 9) :		
143,395 preferred shares, par value \$10 each		
1,000,000 common shares, no par value		
Issued :		
Preferred — 53,395 6% cumulative, redeemable, participating first		
preferred shares Series A (Note 3)	533,950	590,000
Common — 358,332 shares (1973 — 357,832) (Notes 1 and 2)	575,254	571,754
	<u>1,109,204</u>	<u>1,161,754</u>
Surplus :		
Earned surplus	2,415,507	1,124,471
Reserve for redemption of preferred shares	—	13,645
Capital surplus (Note 9)	56,050	10,000
Contributed surplus	325,607	296,557
	<u>2,797,164</u>	<u>1,444,673</u>
Shareholders' equity	<u>3,906,368</u>	<u>2,606,427</u>
	<u>\$12,613,389</u>	<u>\$ 8,447,927</u>

Consolidated statement of earnings

Bay Mills Limited and wholly owned subsidiaries

Year ended July 31	1974	1973
Sales	\$22,245,766	\$14,653,326
Earnings (before undernoted items)	2,813,149	1,367,663
Depreciation and amortization	353,502	298,065
Interest on term debt	88,355	104,129
Taxes on income	1,024,791	438,826
	1,466,648	841,020
Net earnings before non-operating income	1,346,501	526,643
Non-operating income, net of tax	98,544	—
Net earnings	\$ 1,445,045	\$ 526,643
Earnings per share, based on average number of shares outstanding — 357,957 shares (1973 — 307,832)		
Before non-operating items	\$3.51	\$1.53
After non-operating items	\$3.80	\$1.53

Consolidated statement of surplus accounts

Bay Mills Limited and wholly owned subsidiaries

Year ended July 31	1974	1973
Earned surplus		
Balance August 1	\$ 1,124,471	\$ 660,782
Add (deduct) :		
Consolidated net profit for the year	1,445,045	526,643
Dividends paid on preferred shares	(117,828)	(50,740)
Appropriation from (to) reserve for redemption of preferred shares, net	9,869	(12,214)
Appropriation to capital surplus, net	(46,050)	—
Balance July 31	2,415,507	1,124,471
Reserve for redemption of preferred shares		
Balance August 1	13,645	1,431
Amount appropriated from earned surplus	14,277	12,214
Premium paid on redemption of 5,605 preferred shares	(3,776)	—
Balance appropriated to earned surplus on purchase for cancellation of preferred shares in excess of fund provided	(24,146)	—
Balance July 31	—	13,645
Capital surplus		
Balance August 1	10,000	10,000
Appropriated to earned surplus on issuance of supplementary letters patent	(10,000)	—
Arising pursuant to the Canada Corporations Act as a result of the purchase for cancellation of 5,605 preferred shares	56,050	—
Balance July 31	56,050	10,000
Contributed surplus		
Balance August 1	296,557	296,557
Government grants received and receivable	29,050	—
Balance July 31	\$ 325,607	\$ 296,557

Consolidated statement of changes in financial position

Bay Mills Limited and wholly owned subsidiaries

Year ended July 31	1974	1973
Funds provided :		
Net earnings	\$ 1,445,045	\$ 526,643
Provision for depreciation and amortization	353,502	298,065
Increase in deferred tax credit	220,500	201,500
Profit on disposal of fixed assets	(191,408)	(2,757)
Adjustment to intangible assets purchased	30,000	—
Total from operations	1,857,639	1,023,451
Proceeds on disposal of fixed assets	301,234	—
Long-term financing of equipment, less current portion	555,000	—
Decrease note receivable	15,000	20,000
Proceeds on issue of 500 common shares	3,500	—
Increase in contributed surplus	29,050	—
Amount capitalized on issue of 50,000 common shares (see contra below)	—	225,000
Total	2,761,423	1,268,451
Funds applied :		
Net additions to fixed assets	1,163,158	336,346
Decrease first mortgage bonds	195,000	55,000
Purchase for cancellation of 5,605 preferred shares	59,826	—
Decrease in minority interest	—	35,000
Dividends on preferred shares	117,828	50,740
Payment on liability for intangible assets	60,000	60,000
Change in current portion of notes payable	—	175,000
Payment of note (for common shares)	—	225,000
Increase in other assets	26,664	5,583
Total	1,622,476	942,669
Net current assets :		
Net increase for year	1,138,947	325,782
Beginning of year	1,383,609	1,057,827
End of year	\$ 2,522,556	\$ 1,383,609

Notes to consolidated financial statements

July 31, 1974

Note 1 Outstanding common share warrants and options:

Number of shares	
Warrants with 'Series A' Bonds \$7.00 per share to September 1, 1974	20,500
Warrants with 'Series B' Bonds: \$5.00 per share to September 1, 1974	
\$6.00 per share to 1979	12,000
	<u>32,500</u>

Note 2

Under the 1972 Mia Chemical Limited acquisition agreement, two accounts receivable of the acquired companies are to be revalued when finally settled, or not later than July 31, 1976.

The maximum number of additional shares which might be required is 24,837. In the opinion of the directors, any further issue would not involve the majority of these shares.

Note 3 Dividends paid to preferred shareholders:

	1974	1973
Regular	\$ 34,638	\$ 26,550
Participating	21,240	15,340
Arrears	61,950	8,850
	<u>\$117,828</u>	<u>\$ 50,740</u>

Par value of preferred shares purchased for redemption - 5,605 shares	\$ 56,050	\$ —
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Assuming that the 53,395 preferred shares outstanding at July 31, 1974 continue to be outstanding at December 1, 1974 a participating preferred dividend in the amount of \$51,793 is to be declared on or before December 14, 1974.

At July 31, 1974 the amount to be credited on October 1, 1974 to the purchase fund for the retirement of preferred shares amounted to \$39,817. If such fund exceeds the sum of \$15,000 at December 31, 1978 the amount of such fund, under the provisions attaching to the preferred shares, is to be applied in the purchase or redemption of outstanding preferred shares.

Note 4 Term debt

Funded debt:	Current portion	7/31/74	7/31/73
First mortgage bonds, 'Series A'			
September 1, 1984, 6½%	\$ 35,000	\$350,000	\$455,000
First mortgage bonds, 'Series B'			
September 1, 1988, 8%	20,000	280,000	340,000
		<u>\$630,000</u>	<u>\$795,000</u>
Less current portion		55,000	55,000
	<u>\$ 55,000</u>	<u>\$575,000</u>	<u>\$740,000</u>
Other:			
Long-term financing of equipment:			
over 7 year period	\$ 95,000	\$650,000	\$ —
Current portion	—	95,000	—
	<u>\$ 95,000</u>	<u>\$555,000</u>	<u>\$ —</u>

Note 5 Financing of capital expenditures

Bank indebtedness, per balance sheet at July 31, 1974	\$2,146,854
Amounts due on financing of	
(a) Building for construction costs incurred	\$765,000
(b) equipment recorded as fixed assets	650,000
Actual bank indebtedness at July 31, 1974	<u>\$3,561,854</u>

At July 31, 1974 the company had commitments from two institutions to finance the capital expenditures to date of \$1,415,000 by means of:

(a) A long-term lease on the building for ten years at \$76,000 per annum with options for an additional twenty years.

(b) A conditional sales contract on equipment payable over a seven year term.

These funds are expected to be received early in the 1975 fiscal year and it is the intention of the company to reduce its bank indebtedness at that time.

Note 6

The deferred tax credit represents estimated tax deferred by claiming approximately \$1,382,800 of capital cost allowance in excess of that recorded in the accounts.

Note 7

Fees paid to three directors amounted to \$8,400 (1973 \$2,350).

Remuneration of five officers amounted to \$350,635 (1973 \$146,234). Two officers are directors of the company.

Note 8 Commitments

These deposits are on fixed assets on order totaling approximately \$225,000 and construction costs of \$146,000 to date on property, the total cost of which is estimated to be \$202,000.

Note 9 Authorized capital

Supplementary Letters Patent were received during the year which:

(a) Decreased the number of authorized preferred shares by 1,000 to 149,000 and restored the \$10,000 of capital surplus to earned surplus.

(b) Increased the number of authorized common shares by 500,000 to 1,000,000 shares.

Note 10

The Company has adjusted the book value of intangible assets purchased by the amount of \$30,000 in 1974, as a charge to non-recurring items, to more accurately reflect the valuation of the asset at July 31, 1974.

Auditors' report

To the Shareholders of Bay Mills Limited:

We have examined the consolidated balance sheet of Bay Mills Limited and wholly owned subsidiaries as at July 31, 1974 and the consolidated statements of earnings, surplus and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the aforementioned financial statements present fairly the consolidated financial position of the companies as at July 31, 1974 and the results of their operations and the changes in their financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

August 27, 1974.

Hutchins, Hurler & Davis

Chartered Accountants

Bay Mills Limited

Head Office: Midland, Ontario

Directors

B.Nixon Apple, Q.C.
Partner, Salter & Apple, Barristers & Solicitors.

Steven F.Cerny
President, Bay Mills Limited, Toronto.

*J.Reg Findley
Vice-President, F.H.Deacon & Company Limited,
Toronto.

Peter Kaye
President, Perkay Limited, Montreal.

*John D.Loveridge
President, Ingersoll Machine & Tool Company
Limited, Ingersoll.

*Derek H.Mather
Senior Vice-President, Canadian Enterprise
Development Corporation Limited, Montreal.

Sydney J.Nicholls
General Manager, Midland Division, Bay Mills
Limited, Toronto.

* *Members of the Company's audit committee.*

Officers

S.F.Cerny, President
R.E.Deane, Vice-President, Finance
S.R.Scotchmer, Vice-President
H.C.Smith, Vice-President
S.J.Nicholls, Secretary-Treasurer

Divisions:

Midland Division, Midland, Ont.

S.J.Nicholls, General Manager
M.W.Stedman, Sales Manager
F.J.Kurschner, Plant Manager
F.G.Spence, Controller
W.A.Burchmore, Branch Manager
Montreal
K.J.Shields, Product Manager
Permascreen

Crenette Division, St. Catharines, Ont.

S.R.Scotchmer, General Manager
M.A.Cherry, Sales Manager
J.G.Payne, Plant Manager
I.G.Cooper, Product Development
Manager
D.F.Minchin, Controller

Subsidiaries:

Mia Chemical Limited, Mississauga, Ont.

Waldor Chemical Ltd., Montreal, P.Q. Park-Hannesson Ltd., Winnipeg, Man.

H.C.Smith, President
F.J.Gilfillan, Manager Branch
Operations
E.Zecha, Technical Director
J.W.Gayton, Controller
M.Brand, Product Manager, Equipment
W.R.Close, Product Manager, Urethane
J.H.Berrys, Product Manager
Reinforced Plastics
A.Jozsa, Product Manager Coatings
N.Dodman, Branch Manager, Winnipeg
R.Garrett, Branch Manager, Calgary
D.Knight, Branch Manager, Edmonton
D.Sorenson, Branch Manager, Montreal
R.Kilbey, Branch Manager, Toronto
G.Pellerin, Branch Manager
Trois Rivières,

House of Sturgeon (National) Limited.

J.R.Reid, President
B.J.Moriarty, General Manager
J.D.V.Keown, Controller

Auditors

Hutchins, Mullin & Blair,
Chartered Accountants, Toronto.

Legal counsel

Salter & Apple, Barristers &
Solicitors, Toronto.

Transfer agent

The Royal Trust Company, Toronto.

Bankers

The Toronto-Dominion Bank.

Stock listing

The Toronto Stock Exchange.

Ten year review

Bay Mills Limited and wholly owned subsidiaries

	1974	1973	1972	1971	1970
Operating results					
Earnings.....	\$2,813,149	\$1,367,663	\$ 929,394	\$ 176,056	\$ 246,268
Provision for depreciation and amortization...	353,502	298,065	296,677	330,258	316,161
Interest on term debt.....	88,355	104,129	96,376	103,872	107,233
Provision for taxes on income.....	1,024,791	438,826	221,988	(149,299)	(111,761)
Non-operating items.....	(98,544)	—	(92,786)	—	—
Net earnings (loss).....	\$1,445,045	\$ 526,643	\$ 407,139	\$ (108,775)	\$ (65,365)
% of Shareholders' equity at beginning of year.	55.4%	27.6%	27.2%	(6.7%)	(3.9%)
Per common share.....	\$3.80	\$1.53	86.0¢	(46.8¢)	(49.8¢)
Balance sheet data					
Net current assets.....	\$2,522,556	\$1,383,609	\$1,057,827	\$ 681,578	\$ 806,792
Fixed assets less depreciation.....	3,001,698	2,301,868	2,260,830	2,313,664	2,440,304
Other assets.....	52,114	40,450	54,867	23,350	14,261
Net tangible assets.....	5,576,368	3,725,927	3,373,524	3,018,592	3,261,357
Term debt.....	1,130,000	740,000	795,000	850,000	905,000
Other deferred financing†.....	810,000	679,500	673,000	671,361	763,516
Shareholders' equity.....	\$3,906,368	\$2,606,427	\$1,905,524	\$1,497,231	\$1,592,841
Financial statistics					
Ratio of current assets to current liabilities....	1.37	1.31	1.31	1.27	1.48
Ratio of net tangible assets to term debt.....	4.93	5.03	4.24	3.55	3.60
Ratio of shareholders' equity to term debt....	3.46	3.52	2.40	1.76	1.76
Book value per common share.....	\$9.41	\$5.63	\$4.27	\$4.38	\$4.84
Number of common shares outstanding....	358,332	357,832	307,832	206,985	206,985
Toronto Stock Exchange trading history – common shares					
Trading price range:					
High.....	14.00	9.50	8.25	3.00	5.62
Low.....	6.50	6.25	1.30	1.25	3.00
Number of shares traded.....	16,800	33,700	37,100	2,500	5,000

†Includes deferred tax credit and minority interest in 1972 and 1971.

1970 and prior years not adjusted for pooling of interest on acquisition of Mia Chemical Limited.

1969	1968	1967	1966	1965
\$ 635,406	\$ 578,435	\$ 422,940	\$ 243,744	\$ 4,042
235,471	165,171	171,208	170,560	132,967
92,142	41,140	43,415	45,317	31,266
154,816	196,000	105,000	—	(69,107)
5,865	—	—	—	—
\$ 147,112	\$ 176,124	\$ 103,317	\$ 27,867	\$ (91,084)
10.6%	14.2%	9.1%	2.5%	(7.3%)
52.5¢	66.3¢	32.4¢	(3.9¢)	(61.7¢)

\$1,062,313	\$ 828,036	\$ 620,004	\$ 419,579	\$ 370,598
2,343,598	1,485,902	1,352,946	1,382,343	1,427,739
65,416	73,373	6,044	3,755	14,473
3,471,327	2,387,311	1,978,994	1,805,677	1,812,810
960,000	595,000	630,000	665,000	700,000
830,000	408,000	105,000	—	—
\$1,681,327	\$1,384,311	\$1,243,994	\$1,140,677	\$1,112,810

1.82	1.84	1.60	1.35	1.32
3.62	4.01	3.14	2.71	2.59
1.75	2.33	1.97	1.72	1.59
\$5.27	\$3.85	\$3.17	\$2.67	\$2.53
206,985	205,985	205,985	205,985	205,985

9.62	11.50	5.25	5.00	8.00
5.00	3.75	3.50	4.00	4.00
15,800	34,120	3,520	6,005	12,790

Bay Mills Limited

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